

1-1 By: Paxton S.B. No. 637
1-2 (In the Senate - Filed February 18, 2013; February 25, 2013,
1-3 read first time and referred to Committee on Intergovernmental
1-4 Relations; April 8, 2013, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;
1-6 April 8, 2013, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	Hinojosa	X		
1-10	Nichols	X		
1-11	Garcia	X		
1-12	Paxton	X		
1-13	Taylor	X		

1-14 COMMITTEE SUBSTITUTE FOR S.B. No. 637 By: Paxton

1-15 A BILL TO BE ENTITLED
1-16 AN ACT

1-17 relating to notice and election order requirements for bond
1-18 approval elections held by political subdivisions.

1-19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-20 SECTION 1. Chapter 3, Election Code, is amended by adding
1-21 Section 3.009 to read as follows:

1-22 Sec. 3.009. CONTENTS OF DEBT OBLIGATION ELECTION ORDER.

1-23 (a) In this section, "debt obligation" means an issued public
1-24 security, as defined by Section 1201.002, Government Code, that is
1-25 secured by ad valorem taxes.

1-26 (b) The document ordering an election to authorize a
1-27 political subdivision to issue debt obligations must distinctly
1-28 state:

1-29 (1) the proposition language that will appear on the
1-30 ballot;

1-31 (2) the purpose for which the debt obligations are to
1-32 be authorized;

1-33 (3) the principal amount of the debt obligations to be
1-34 authorized;

1-35 (4) that taxes sufficient to pay the annual principal
1-36 of and interest on the debt obligations may be imposed;

1-37 (5) a statement of the estimated tax rate if the debt
1-38 obligations are authorized or of the maximum interest rate of the
1-39 debt obligations or any series of the debt obligations, based on the
1-40 market conditions at the time of the election order;

1-41 (6) the maximum maturity date of the debt obligations
1-42 to be authorized or that the debt obligations may be issued to
1-43 mature over a specified number of years not to exceed 40;

1-44 (7) the aggregate amount of the outstanding principal
1-45 of the political subdivision's debt obligations as of the beginning
1-46 of the political subdivision's fiscal year in which the election is
1-47 ordered;

1-48 (8) the aggregate amount of the outstanding interest
1-49 on debt obligations of the political subdivision as of the
1-50 beginning of the political subdivision's fiscal year in which the
1-51 election is ordered; and

1-52 (9) the ad valorem debt service tax rate for the
1-53 political subdivision at the time the election is ordered,
1-54 expressed as an amount per \$100 valuation of taxable property.

1-55 SECTION 2. Section 4.003, Election Code, is amended by
1-56 adding Subsection (f) to read as follows:

1-57 (f) A debt obligation election order required under Section
1-58 3.009 shall be posted:

1-59 (1) on election day and during early voting by
1-60 personal appearance, in a prominent location at each polling place;

